

Justin P. Wilson

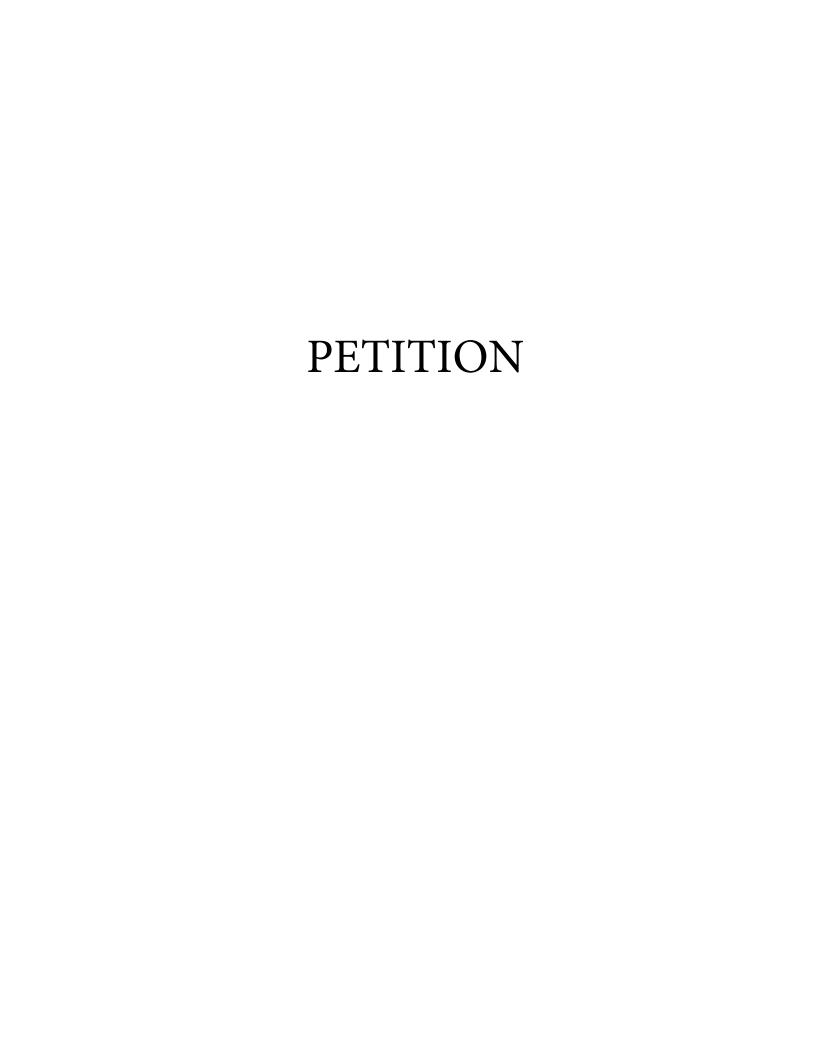
Comptroller

Jason E. Mumpower Chief of Staff

## MEETING NOTICE TENNESSEE UTILITY MANAGEMENT REVIEW BOARD December 10, 2018

The Tennessee Utility Management Review Board ("UMRB") will hold a special meeting on Monday, December 10, 2018, at 10 a.m. (CST) to discuss the creation petition of the proposed "North Grainger Utility District of Grainger County, Tennessee." The meeting will occur in the Tennessee Cave Salamander Conference Room on the 4<sup>th</sup> floor of the Cordell Hull Building, 425 Fifth Ave. North, Nashville, Tennessee 37243. The meeting will be conducted permitting UMRB members to participate by electronic means.

Visitors to the Cordell Hull Building are required to pass through a metal detector and must present photo identification. Individuals with disabilities who wish to attend this meeting or to review filings should contact the Office of Administration, Comptroller of the Treasury, to discuss any auxiliary aids or services needed to facilitate such participation. Such contact may be in person or by writing, telephone, or other means, and should be made prior to the scheduled meeting date to allow time to provide such aid or service. Contact the Office of the Comptroller (John Greer) for further information.





### 108 EAST COMMERCIAL AVENUE MONTEREY, TENNESSEE 38574

Phone: (931) 839-2350 Fax: (931) 839-6380

November 6, 2018

John Greer
Tennessee Comptroller of the Treasury
Division of Administration
Fourth Floor Cordell Hull Building
425 Fifth Avenue North
Nashville, TN 37243-3400

RE: North Grainger Utility District Grainger County, Tennessee

CED Job No. R-263

Dear Mr. Greer:

As a result of our discussion last Friday, I have assembled the following enclosed organizational documents for your review:

- 1. Land Owners Petition to form Utility District;
- 2. County Mayor's Order to create the North Grainger Utility District;
- 3. Letter from Secretary of State; and
- 4. Letter from TDEC approving the Engineering Report.

Our original attorney, Mr. Dirk Daniel died as we were in the process of trying to help Grainger County form the new utility. It took the county a couple of months to replace the County Attorney with Mr. Lane Wolfenbarger.

I send these documents to you looking for your advice as to any deficiencies the district or the county needs to correct. As you stated, there has been revisions to the law.

John Greer November 6, 2018 Page 2

I look forward to your comments.

Yours,

Mike Callahan, P.E. Chief Executive Officer

MC:sc

ENCL:

Cc: S. Lane Wolfenbarger

To: Mr. Mark Hipsher County Mayor

P.O. Box 126

Rutledge, Tennessee 37861

IN RE:

THE MATTER OF INCORPORATION OF THE NORTH GRAINGER

UTILITY DISTRICT OF GRAINGER COUNTY, TENNESSEE

**PETITION** 

We, the undersigned Petitioners, being owners of real property and who also

reside within the boundaries of the proposed district do hereby respectfully petition for

the incorporation of a utility district under The Utility District Law of 1937, Tennessee

Code Annotated, Section 7-82-101 et. seq., and in support thereof state the following:

1. The proposed Utility District plans to provide an adequate treatment and

distribution system for domestic potable water for household and other purposes.

Present sources of potable water in the proposed district are inadequate and serve as a

detriment to the health and general welfare of the public in the affected area.

2. The proposed Utility District plans to provide an adequate treatment and a

collection system for domestic waste water for household and other purposes. Present

methods of waste water disposal in the proposed district are inadequate and serve as a

detriment to the health and general welfare of the public in the affected area.

3. The proposed Utility District plans to provide an adequate source, quantity

and distribution system of natural gas for domestic and other purposes. Present

sources of natural gas in the proposed district are inadequate and serve as a detriment

to the health and general welfare of the public in the affected area.

4. The proposed corporation name shall be "The North Grainger Utility

District of Grainger County, Tennessee". The boundaries of said utility district shall be

as follows:

Beginning at the point where the Grainger County line intersects the crest of Log

Mountain, thence northeast with the crest of Clinch Mountain, thence northeast with the

crest of Clinch Mountain to the Hancock County line, thence with Hancock County to the

Claiborne County line and the Clinch River, thence with Claiborne County to the Union

County line, thence with Union County to the point of beginning.

- 5. The estimated cost of the acquisition or construction of the initial facilities of the utility district is estimated to be \$1,000,000. The estimated annual cost of operating the proposed facilities is estimated to be \$100,000. It is estimated that the utility district's personnel needs shall equal two (2) full-time persons. It is further estimated that the initial monthly rates and changes for water shall be \$25.00 minimum for residential customers.
- 6. The principal office of the Utility District shall be at the Thorn Hill Community Center, 948 Mountain Valley Hwy 131, Thorn Hill, Tennessee 37381. 37881
- 7. The following three (3) residents of the proposed district are hereby nominated as commissioners of the district.

NAME	ADDRESS
Gary Wayne Dalton	608 Dalton Ridge Road
	Thorn Hill, Tennessee 37881
Larry G. Bowlin	2793 Mountain Valley Hwy 131
	Thorn Hill, Tennessee 37881
Susie Holt	3631 Mountain Valley Hwy 131
	Thorn Hill, Tennessee 37881

WHEREFORE, the undersigned Petitioners pray that an order be entered fixing a time and place for a public hearing upon the convenience and necessity of the incorporation of the utility district to perform the services stated in the Petition, that after due notice thereon as required by law, an Order be entered approving the creation of the district; ant that the three (3) persons nominated herein above be appointed as commissioners of said utility district.

Dated this 27th day of Feb., 2017.

STATE OF
TENNESSEE
NOTARY
PUBLIC
WGER COMMISSION EXPIRES

Respectfully submitted,

#### STATE OF TENNESSEE

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have witnessed the signature of each of the named Petitioners, that each signature is the true signature of the person it purports to be, and that to the best of my knowledge each Petitioner was, at the time of signing, an owner of real property within and a resident of the proposed district.

Sworn to and subscribed before me, this 27th Day of Feb., 2017.



**NOTARY PUBLIC** 

My Commission Expires:

3-17-2019

<u>ADDRESS</u>

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Janice Cox

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Jim Kinsaid

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Daris ann Paten

Ruhyl Jalls

Jeny Linda Coffey

Jedith ann Longest

Joel Winter

Floyd Myers

Baxter's Market Dura Baxten Derald + Charlette Bater

Jeff 1000 Jory w. Water

<u>ADDRESS</u>

1140 Dryvalley Rd Thorn Hill 379

815 Wtn Vally Hay 131 Thom 75 79 37881

134 Thorn Hill School Rd. These

1385 Mtw. Valley Hwy 131, Thorn H.H. TW 3788

1509 Mtn. Valley Huy 131 Thorn Hill, Tw 37881

375 Nelson Collins Ln. Thirn Hill, TN 37881

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608 DALTON Ridge Rd Thorn HILLIT 37881

**ADDRESS** 

Larry Boul

Betty Jarnigan

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Linda Morre

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Don Harney

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Thorn Hill, TN 37881

#### **PETITIONERS**

**NAME** 

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Belly Brysse Love Simmy + bct **ADDRESS** 

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3562 Mt Valley Hwy 131
Thorn Hill Tn 37881

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Justin P. Wilson

Comptroller

JASON E. MUMPOWER

Chief of Staff

November 30, 2018

Mike Callahan CE Designers, Inc. 108 East Commercial Ave. Monterey, TN 38574

Dear Mr. Callahan:

On November 9, 2018, the Utility Management Review Board ("the Board") received the petition to create the proposed "North Grainger Utility District of Grainger County, Tennessee". Tenn. Code Ann. § 7-82-202(a)(1) provides that the Board "shall issue an order approving or disapproving the petition for the incorporation of the utility district within ninety (90) calendar days of receipt of the petition by the board, its agent or representative." Please be aware that only after the Board approves, disapproves, or fails to act on the petition within ninety days, may the county mayor hold a public hearing on the petition.

While your letter attached to the petition merely requests Mr. Greer's advice as to the petition's deficiencies, the Board considers November 9, 2018, as its day of "receipt of the petition" in accordance with Tenn. Code Ann. § 7-82-202(a)(1) and will hold a meeting within ninety days to review and make a determination as to its approval or disapproval of the petition. While your attendance is not required, this meeting is currently scheduled for December 10, 2018, at 10 a.m. CT, should you choose to be present. The meeting will be held in the Tennessee Cave Salamander Conference Room, located on the 4<sup>th</sup> Floor of the Cordell Hull Building, 425 Fifth Avenue North, Nashville, TN 37243.

Please do not hesitate to contact John Greer or me should you have questions about the location of the meeting.

Sincerely,

Rachel E. Buckley

Counsel to the Utility Management Review Board

cc: Honorable Mike Byrd, Grainger County Mayor

#### ORDER OF THE COUNTY MAYOR OF GRAINGER COUNTY, TENNESSEE

## APPROVING THE PETITION TO CREATE THE "NORTH GRAINGER UTILITY DISTRICT" OF GRAINGER COUNTY, TENNESSEE

On this \_\_28<sup>th</sup>\_ of March, 2017, a public hearing was held before the undersigned, the County Mayor of Grainger County, Tennessee (The "County Mayor") for the consideration and the approval of the Petition to create The "North Grainger Utility District" of Grainger County, Tennessee (The "Petition"), pursuant to the provisions of the Utility District Law of 1937, as amended (the "Act"). Upon evidence duly given, the County Mayor finds as follows:

- 1. Due notice of the time, place and purpose of this public hearing upon the convenience and necessity of the creation of The "North Grainger Utility District" of Grainger County, Tennessee (the "District"), as set forth in the Petition, has been given pursuant to the Act by publication of an appropriate notice one time in The Grainger Today, a newspaper with general circulation in Grainger County, Tennessee, which notice was published not more than fifteen (15) days nor less than seven (7) days prior to the date of this hearing. The date of this hearing is not more than thirty (30) days after our receipt of the Petition. At least ten(10) days prior to the date hereof, notice by registered mail of such hearing was given to the mayor or chief executive officer of each city or town having a population of five thousand (5,000) or over located within five (5) miles of the District, and of each city or town with a population of less than five thousand (5,000) located within three (3) miles of the District, and to the mayor or chief executive officer of each county, city, town and utility district providing water, sewage or natural gas service located within three (3) miles of the District.
- 2. The Petition was signed by not less than twenty-five (25) Owners of real property within and who are residents of the District, and in all respects is in compliance with the Act.
- 3. No incorporated town or city had made known at the hearing its intention to serve the area to constitute the District, and no public corporation other than the District is able to provide the needed services to such areas.

- 4. The public convenience and necessity require the creation of the District to include the areas and provide the service set forth in the Petition.
  - 5. The creation of the District is economically sound and desirable.

NOW. THEREFORE, based on such findings and such other evidence as has been brought before it, the County Mayor hereby orders that the prayer in the Petition is hereby granted as follows:

1. The District is hereby designated as "North Grainger Utility District" of Grainger County, Tennessee. The District is authorized to furnish a potable water, sewage or natural gas for the residents of the District and will have the following boundaries:

Beginning at a point where the Grainger County/Union County line intersects the crest of Log Mountain, thence northeast with the crest of Log Mountain to a point due north of Washburn; thence south 30 degrees east to the crest of Clinch Mountain, thence northeast with the crest of Clinch Mountain to the Hancock County line, thence with Hancock County to the Claiborne County line and the Clinch River, thence with Claiborne County to the Union County line, thence with Union County to the point of beginning.

- 2. The address of the principal office of the District is Thorn Hill Community Center, 948 Mountain Valley Hwy 131, Thorn Hill, Tennessee 37881.
- 3. The following individuals who own property within and are residents of the District, have been nominated to serve as the Commissioners of the District and are willing and capable of acting as Commissioners of the District. Such individuals are hereby appointed to serve the following terms:

Commissioner	Term
Gary Wayne Dalton	1 year
Larry G. Bowlin	2 year
Susie Holt	3 year

- 4. Pursuant to the Act, a certified copy of this Order shall be filed by the District with the County Clerk and Register of Deeds for Grainger County, Tennessee, and with the Tennessee Secretary of State. A copy of this Order shall also be published in The Grainger Today.
  - 5. All Costs incidental to this cause shall be borne by the parties filling the Petition.

IT IS THEREFORE, ORDERED, ADJUDGED AND DECREED that pursuant to the Utility District Law of 1937, as amended the District As hereby created as set forth herein as of this Astronomy Day of March, 2017.

County Mayor of Grianger County, Tennessee

## Tennessee Secretary of State

Tre Hargett



Publications Division 312 Rosa L. Parks Avenue. 8<sup>th</sup> Floor Nashville. Tennessee 37243-1102

Cody Ryan York Director of Publications 615-253-4564 Cody, York *q* tn.gov

July 18, 2017

Mr. S. Lane Wolfenbarger Shuttleworth Williams, PLLC Attorneys at Law 800 South Gay Street, Suite 2031 Knoxville, TN 37929

Dear Mr. Wolfenbarger.

This letter is to inform you of our receipt of the Order Approving the Petition to Create the "North Grainger Utility District" of Grainger County. It is now on record in our office. If you have any questions, please feel free to contact my office at 615-741-2650.

Sincerely,

Cody Ryan York
Director of Publications



## STATE OF TENNESSEE DEPARTMENT OF ENVIRONMENT AND CONSERVATION DIVISION OF WATER RESOURCES

William R. Snodgrass - Tennessee Tower 312 Rosa L. Parks Avenue, 11<sup>th</sup> Floor Nashville, Tennessee 37243-1102

September 28, 2018

Ms. Sarah Vanoy Community Development Partners, LLC P. O. Box 210437 Nashville, TN 37221

re: Grainger County Water Lines & New System Project

**Grainger County** 

Dear Ms. Vanoy:

Staff within the Division of Water Resources have reviewed the proposed CDBG grant project for Grainger County which would consist of setting a master meter for water supplied by the Sneedville Utility District and installing 31,000 linear feet of 6 inch water line and 2,300 linear feet of 4 inch water line and residential connections. The project, including staging areas, is expected to disturb well more than an acre of land for the project for either the proposed north or south Tyson site, which would require a storm water permit under Tennessee's General National Pollutant Discharge Elimination System (NPDES) Permit for Discharges of Storm Water Associated with Construction Activities (CGP) prior to the start of construction. The water lines will cross several creeks and possible wetlands and require an Aquatic Resource Alteration Permit (ARAP). Considering the size of the project, a hydrologic determination will have to be performed by a certified hydrologic professional to identify all of the aquatic resources within the project limits of disturbance and assess the potential for any alterations to wet weather conveyances, streams, wetlands, or other aquatic resources.

This project as arranged with a master meter set for the water supplied by Sneedville Utility District will create a new community public water system, which will require additional items to be addressed for the Division as well as the Utilities Management Review Board (UMRB) housed in the Tennessee Comptroller's Office. The Division will require the water system that is being created to prepare a capacity development plant which substantiates that the system will have the managerial, technical and financial capacity to operate as a viable water system. All engineering plans must be reviewed and approved by the Division's Drinking Water Unit prior to construction.

For Grainger County to create a utility district, the UMRB must first approve the creation of the utility district. Twenty-five or more customers must sign a petition to start a utility district for the Board to consider the utility's creation. The Board will be looking at the viability of the utility district and whether the customer base will be sufficient for the utility to stay solvent, including the depreciation of the infrastructure being paid for with the CDBG grant. A utility district is considered an "enterprise" system, meaning it must generate enough revenue on its own to operate without outside contributions.

September 28, 2018 Ms. Sarah Vanoy Letter Page 2

Public Chapter 132 {Utility Districts}, Section 7-82-401(g)(3) states:

(3) For the purposes of this chapter, a "financially distressed utility district" is a utility district, its system or systems, that as shown by the audited annual financial reports, has either a deficit in total net position...

A negative change in net position for two (2) consecutive years without regard to any grants or capital contributions. For purposes of this Section, a "change in net position" means total revenues less all grants, capital contributions, and expenses.

If you have any further questions, I will be glad to try to assist you. You may reach me at (615) 532-0170 or tom.moss@tn.gov.

Sincerely,

Thomas A. Moss, P.G.

Thomas de Moss

Environmental Review Coordinator Compliance and Enforcement Unit

cc: Michael Atchley, Knoxville DWR Manager George Garden, DWR Chief Engineer Bill Hench, DWR Drinking Water Unit John Greer, UMRB Technical Secretary



## STATE OF TENNESSEE DEPARTMENT OF ENVIRONMENT AND CONSERVATION DIVISION OF WATER RESOURCES

William R. Snodgrass Tennessee Tower 312 Rosa L. Parks Avenue, 11<sup>th</sup> Floor Nashville, Tennessee 37243 PHONE: 615-532-0191 FAX: 615-532-0686

October 2, 2018

Mr. Mike Callahan, PE CE Designers, Inc. 108 East Commercial Avenue Monterey TN 38574

Re:

North Grainger UD (PWSID# 0008294)

Grainger County

Project Number DW 18-1177

Engineering Report for New Water System - Phase 1

Dear Mr. Callahan:

This letter acknowledges receipt of one copy of an engineering report for the referenced project. This report recommends construction of approximately 33,000 feet of 6-inch and 4-inch water lines to serve 58 initial customers along Hwy 131 in the Thorn Hill area. This project includes a pressure reducing valve and a master meter to purchase water from the Sneedville Utility District. We have completed our review of this report and have found it to be satisfactory. The engineering report has been stamped to indicate our approval for use in preparing plans and specifications. If final plans and specifications have not been submitted for approval by October 2, 2019 it will be necessary to resubmit the engineering report. Please take note of the following comments:

It is recommended that future phases of the North Grainger UD include a storage tank to help insure continuous water supply in the event of emergencies, line breaks, or interruptions in the water supply from Sneedville UD.

We are retaining the engineering report for our records. Upon submittal of final plans and specifications or in any correspondence concerning this project, please refer to the DW Project Number as referenced to expedite review. If you have any questions concerning this project, contact us at (615) 532-0191.

Very truly yours,

R. William Hench, P.E. Drinking Water Engineering Division of Water Resources

RWH/ DWS18

cc: Knoxville Field Office - Water Resources

# NORTH GRAINGER UTILITY DISTRICT WATER WORKS IMPROVEMENTS PROJECT NARRATIVE

Water is to be bought from Sneedville Utility District who has a more than adequate supply for the North Grainger Utility District's needs.

North Grainger Utility District started with an an Order of the County Mayor on March 28, 2017. The detailed description of the boundary is as follows:

"Beginning at a point where the Grainger County/Union county line intersects the crest of Log Mountain, thence northeast with the crest of Log Mountain to a point due north of Washburn; thence south 30 degrees east to the crest of Clinch Mountain, thence northeast with the crest of Clinch Mountain to the Hancock County line, thence with Hancock County to the Claiborne County line and the Clinch River, thence with Claiborne County to the Union County line, thence with Union County to the point of beginning."

The initial construction of water lines for the North Grainger Utility District will be conducted in phases.

Phase 1a project (\$700,000 - 58 customers) followed by a Phase 2a project (\$540,000 - 102 customers). All proposed work is shown on the attached copy of a U.S.G.S. map. Phase 1a will be to run water lines from a connection to Sneedville UD at the Hancock County Line along Hwy 131 (Clinch Valley Road aka Mountain Valley Hwy 131) Phase 1 will end at Dave Jackson Road intersection with Hwy 131. Lines will also be installed on Coffey Chapel Road and Elum Coffey Road.

